

Minutes of Board meeting

Meeting held on Thursday 19 May 2022 (in person)
 Location: Room 4, Bloomsbury House, 21 Bloomsbury Street, London WC1B 3HF

Board members / standing attendees

Jonson Cox	Non-executive Director, Chairman
Nicola Bruce	Non-executive Director
David Jones	Non-executive Director
Seema Kennedy	Non-executive Director
Jonathan Kini	Non-executive Director
Alison Munro	Non-executive Director
David Black	Chief Executive
Aileen Armstrong	Executive Director
John Russell	Executive Director
Lisa Commane	Executive Director
Jenny Block	General Counsel and Board Secretary

Other attendees

Claire Forbes	Senior Director
Keith Mason	Senior Director
Emma Kelso	Senior Director
Paul Hickey	Managing Director, RAPID
Stephen Humphreys	Principal, Head of Regulatory Communications and Planning
Tim Griffiths	Director, Company Performance and Price Reviews
Juliet Young	Director, Company Performance and Price Reviews
Will Godfrey	Director, Company Performance and Price Reviews
Thea Hutchinson	Director, Company Performance and Price Reviews
Jamie Tunnicliffe	Director, Investor Relations
Sophie Shaw	Director, Legal
Gwenllian Roberts	Director of Wales
Emily Bulman	Director, Policy and Performance
Jennie Seymour	Principal, Company Performance and Price Reviews
Eugenia Vela	Senior Associate, Company Performance and Price Reviews
Richard Cram	Senior Associate, Company Performance and Price Reviews
Sarfraz Nawaz	Director, Finance and Procurement

Andrew Chesworth	Director, Policy and Performance
Elinor Mathieson	Associate Director, Policy and Outcomes
Iain Coucher	Incoming Chair (Observer)

Apologies

Mark Bayley	Non-executive Director
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1. Opening Items and Declarations

- 1.1 The minutes of the Board meeting held on 28 April 2022 were approved subject to some minor amendments.
- 1.2 There were no interests to declare by reference to the matters for discussion at the meeting.

2. Chief Executive's Report

- 2.1 The contents of the Chief Executive's report were noted and discussed. The Board received updates in particular on:
 - Impacts of growing cost of living pressures;
 - The range of Ofwat's ongoing work in relation to the environment, including the company action plans received in relation to river water quality; and
 - Ongoing work with specific companies in relation to financial resilience.

3. PR24 Introduction

- 3.1 The Executive updated the Board on progress towards publication of the draft methodology since the last meeting.

4. PR24 Communications and engagement strategy

- 4.1 The Executive presented a paper to the Board outlining the proposed approach to communications and engagement during the price review process and shared an outline of the overall narrative: setting out our agenda effectively, by reference to our duties and priorities; the outcomes the price review aims to deliver in the context of current challenges; and key messages.
- 4.2 The Board discussed and supported the overall approach to communications and engagement. It recognised the need to ensure our approach distinguishes between different audiences to ensure it is accessible overall to support our engagement with key stakeholders, so we capture a diverse range of views. The Board also recognised

that a different approach may be appropriate in relation to key stakeholders in England and Wales. The communications approach will also need to be adaptive and agile as circumstances change and information emerges throughout our review.

5. Drainage and wastewater management plans

- 5.1 The Executive provided an update to the Board on drainage and wastewater management plans (DWMPs) in the context of our ongoing engagement with companies, highlighting the key issues that have been identified.
- 5.2 The Board discussed the key issues set out in the paper and the proposed approach to managing them, and noted concerns with the level of progress being made on DWMPs.
- 5.3 The Board noted the proposed approach to continued engagement with companies and other regulators throughout the drainage and wastewater planning process until PR24 business plan submissions. It advised on the importance of setting high standards, raising the bar and highlighting in this respect the features of better plans and approaches to longer term planning.
- 5.4 The Board also noted the next steps to return to Board in the autumn with a paper setting out views on companies' draft DWMPs.

6. Draft Annual Report and Accounts 2021-22

- 6.1 The Executive presented the draft annual report and accounts 2021-22 and provided an update on progress of the audit.
- 6.2 The Chair of the Audit and Risk Assurance Committee (ARAC) reported on the special ARAC meeting held in May at which the Committee reviewed the draft annual report and accounts, enabling members to highlight key issues. The Chair noted the overall improvement in the structure and presentation of the report in recent years.
- 6.3 The Board discussed the key themes contained within the draft annual report and the proposals made by ARAC. The Board noted the areas that had yet to be finalised and made a number of suggestions.
- 6.4 Subject to there being no material issues subsequently raised by Ofwat's external auditors or by ARAC, the Board referred to the Audit and Risk Assurance Committee the final recommendation to the Accounting Officer on whether it was appropriate to sign off the annual report and accounts.

7. Financial Resilience update

- 7.1 The Executive provided an update to the Board on the development of our policy work in relation to financial resilience.

8. AOB

8.1 The Board discussed the forward plan for Board meetings.

8.2 There was no other business and the Chair closed the meeting.

Jenny Block

Board Secretary

19 May 2022